



GARY R. HERBERT  
Governor

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Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

April 7, 2014

Certified Return Receipt  
7011 2970 0001 8828 9678

Eric Nedreberg  
Applied Minerals Inc.  
P.O. Box 432  
Eureka, Utah 84628-0432

Andre Zeitoun  
Applied Minerals Inc.  
110 Green Street, Suite 1101  
New York City, New York 10012

Subject: Modified Division Directive, Applied Minerals, Dragon Mine, M/023/0080, Juab County, Utah

### **Response required by May 15, 2014**

Dear Messrs. Nedreberg and Zeitoun:

This directive is a modification to directive issued on December 4, 2013. You are directed to update the Notice of Intent with updated maps and texts with information about the mill facilities. As part of the update please incorporate the enclosed bond calculations.

My understanding is that you want set up a payment plan for the additional bond. The current bond is for \$140,000.00 and the new bond amount is for \$199,000.00. Please include a proposed payment schedule. The Division would prefer that the payment schedule is no longer than six months.

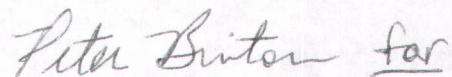
Failure to provide the amended NOI and update the reclamation surety as directed may result in enforcement action being taken by the Division which may include withdrawal of your permit and an order to commence reclamation of the site immediately.



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Applied Minerals Inc.  
M/023/0080  
April 7, 2014

If you have questions or concerns regarding this letter, please contact me at (801) 538-5261 or Wayne Western at 801 538-5263. Thank you for your help in completing this very important regulatory requirement.

Sincerely,

A handwritten signature in cursive script that reads "Peter Binton for". The word "for" is written in a smaller, more compact cursive style.

Paul B. Baker  
Minerals Program Manager

PBB:whw:pb

cc: Duane Bays, BLM Fillmore FO (dbays@blm.gov)  
Penny Berry, DOGM

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